

PLANNING COMMISSION Staff Report

Zoning Map Amendment 2056-2068 Chestnut Ave – Blue Ridge Abbey 12/03/2025

Synopsis

Applicant Daniel DeSouza proposes to rezone the Blue Ridge Abbey property from R3 Residential to MU Mixed Use and construct ten cottages for transient occupancy.

Site Information

Address/Tax Map:		2056 Chestnut Ave (34-1-2-57-3 and 34-1-2-57-5) and 2068 Chestnut Ave (34-1-2-57-7)	
Existing zoning:		R3 Residential Limited	
Existing land use:		Single-family residential with CUP for Bed & Breakfast (2025)	
Proposed zoning:		MU Mixed Use Condition of use only as hotel	
Proposed land use:		Hotel	
Surrounding zoning and land use: Single family residential			
Size:		37,500 sf land	
Tentative	Preliminary Commission Discussion		11/12/2025
Timeline	Planning Commission Public Hearing		12/9/2025
	City Council Public Hearing City Council Adoption		1/15/2026
			TBD

Overview

2056 and 2068 Chestnut Ave are two single-family houses which were granted a Conditional Use Permit (CUP) for use as a Bed & Breakfast in February 2025. The house at 2068 Chestnut Ave was renovated and began operation as a B&B in late spring 2025, and the house at 2056 Chestnut Ave is still under renovation.

Daniel De Souza, on behalf of the LLC owning the Blue Ridge Abbey business, proposes to expand the inn by constructing eight cottages on the undeveloped south end of the property as well as increasing the number of rental rooms in the existing structure. This will require rezoning the property from R3 Residential to MU Mixed Use.

Required Approvals

- Zoning Map Amendment Planning Commission recommendation and City Council approval
- Site Plan Staff will review and approve the technical site plan, however, the site improvements are integral to the change in use and Zoning Map Amendment review by Planning Commission.

• Erosion & Sediment Control – The land disturbance is expected to exceed 10,000 sf, so and ESC plan will be required. The City's 3rd party, AMT, will review.

Site

1. Overall Layout & function

a. 2056 and 2068 will combined have between 16 rooms as well as the common dining, kitchen, and sitting spaces for the inn. Eight new cottages are proposed, constructed in a U-shape on the south end of the property (lots 3-4). Each cottage is about 400 sq ft and will contain a sitting area, kitchenette, full bathroom, and bedroom. The cottages will open onto a landscaped central green.

2. Vehicular Circulation and Parking

- a. 2056 and 2068 Chestnut currently provide nine off-street parking spaces in their separate driveways, without vehicles being blocked in. The site plan proposes 10 angle parking spaces along Chestnut Avenue in front of the proposed cottages. These parking spaces would be partly in the public ROW and partly on private property, but staff would count these as private off-street parking rather than public on-street parking. There are a total of 19 private off-street parking spaces.
- b. Staff count 8 on-street parking spaces on the 21st St and Chestnut Ave frontages of this property, excluding the area of proposed angle parking. (The frontage of the proposed angle parking currently accommodates approximately 3 vehicles on-street, parallel.)
- c. The off-street parking requirement for hotels is one space per bedroom plus one additional space for each two employees (703.03-1). For 24 rooms and 2 employees this equals 25 spaces.
- 3. Trash Collection cans set on the alley behind the carport building next to the cottages. Staff recommend multiple pick-ups per week for a business this volume if using cans.
- 4. Landscaping
- 5. Water/Sewer, Signage are still TBD.

Analysis

The current zoning is R3 Residential Limited with a Conditional Use Permit (CUP) to operate two bed & breakfasts, one in each house. The CUP also included a list of additional conditions related to special events. The B&B began operations earlier in 2025 but only in the large house (2068); the smaller house is still under renovation, so only five rooms have been available for occupancy thus far.

Zoning and Use

There is a documented need for transient accommodation in the City. Multiple plans including the downtown revitalization plan and the Recreation Economies for Rural Communities plan, included specific recommendations to pursue hotel/transient occupancy businesses to expand options and drive tourism in the City. In 2025, both the Bontex revitalization study and Main Street's economic analysis identified market gaps for hospitality. Additionally, at the

11/12/2025 meeting, the applicant noted the robust demand that they had experienced in the fall, citing the dozens of guests they had to turn away due to lack of availability.

The proposed use is a hotel with up to 24 rooms, including the two existing houses and eight new detached cottages. They plan for transient occupancy only and no accommodations would be for residency (30+ days). Although the business will not look like a Marriott or Hilton hotel and it may continue to use terms such as "bed and breakfast" or "inn," the zoning term for the proposed use is "hotel."

The MU Mixed Use zone is the most logical choice for rezoning because the Magnolia Ave corridor is zoned MU and it allows hotels. The Comprehensive Plan Future Land Use Plan designates this location as Residential Medium Density, which aligns with its current zoning, but it is only half a block away from the edge of the existing MU zone. The downtown revitalization plan, among others, highlights the importance of the 21st Street corridor as the primary eastwest axis in the City, providing some support for extension of the MU zone along this street. Because the MU zone is less than a block away and there is clear proximity to other non-residential uses, this would not be considered "spot zoning."

The MU zone allows a wide range of uses. Staff recommend the rezoning ordinance limit the uses of this property to hotel or single-family residential only. This would avoid surprises down the road if the inn should close, because with this condition, other non-residential uses (for example, retail, office, restaurant, etc.) would require further zoning or conditional use permit.

Further Analysis

Design

The proposal is for a Victorian-styled cottage court. The architectural details and form would echo the main house (2068 Chestnut), and the scale of the cottages would not overwhelm the other buildings in the neighborhood, but the rhythm would be a departure from the detached single family homes that characterize this and nearby blocks. There is an apartment building immediately south of the site, but its form and size echo a single-family home and so it blends in. Similarly, across 21st St is a three family dwelling, but it is a converted single family home and retains that appearance (the blue house at the corner). The entire west side of this block is detached single family homes.

Cottage courts can be an effective and attractive way to increase density in residential areas, but the site-specific design of the courts and their appearance in relation to nearby properties is critical because they are a different rhythm. This court is oriented away from the street and the cottages closest to Chestnut Ave do not face the street. The applicant states that they would have windows facing the street (although the plans don't reflect this). Staff believe the revised plans are an improvement over the original plans, and that the cottages could be designed in such a way that, combined with effective landscaping such as medium/large trees, they could be attractive and unobtrusive. At this time, the designs are not specific enough and there are not renderings or elevations to be clear on this treatment. However, the main presentation to the street would be the angle parking, with the cottages and landscaping behind this.

From a process standpoint, staff will require more detailed landscaping plans from the applicant prior to site plan approval. Planning Commission/City Council may require these prior

to making a decision if it feels like these are needed, or it may give general directions or recommendations regarding design or landscaping and allow submission later.

<u>Use</u>

Because the bed & breakfast has thus far only operated with five rooms, it is hard to gauge the future level of pedestrian and vehicular activity of a 24-room hotel and its potential impact on the character and scale of the neighborhood. In theory there could be more than four times the level of activity on the site. Additionally, there could be more special events, of which there have only been a few to date. While the library across 21st Street receives daily vehicular traffic, and Forest Avenue has both MGCC and the Post Office as well as the White Tree Inn, Chestnut Ave remains residential in character and somewhat quieter. Staff have significant reservations about the proposed level of activity being appropriate for a residential neighborhood.

Parking

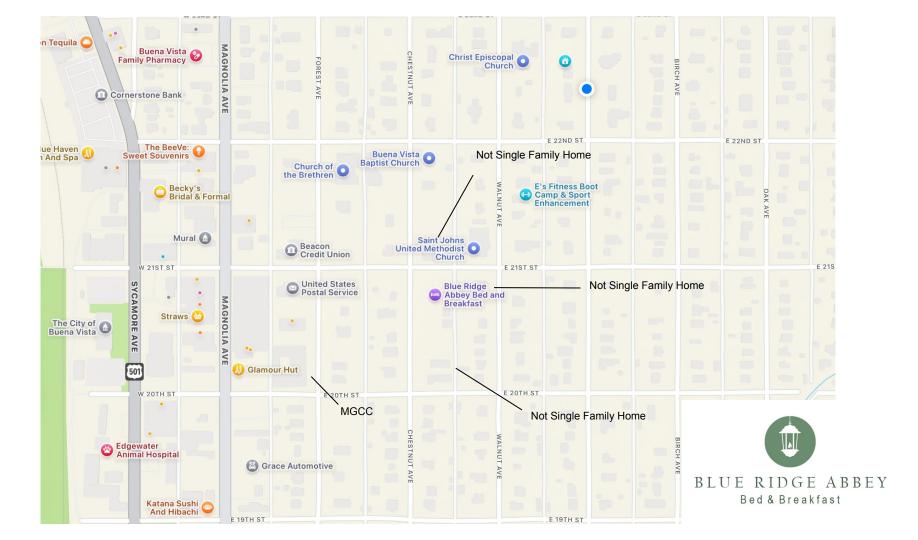
The 19 private off-street spaces do not meet the 25 that would usually be required. The 8 on-street spaces should be considered when looking at the overall parking, but the availability of these spaces is unpredictable. With the robust demand that the applicant notes, many weekends the hotel would likely be fully-booked. In their CUP application the hotel committed to using the City public parking lot in the 2100 block of Magnolia Ave/Forest Ave for special events requiring more parking, but this would be hard to monitor and the frequency is unknown. As such, staff believe that some amount of additional off-street parking is needed.

Discussion and Recommendation

The key issues noted by staff and discussed some at the 11/12/2025 Planning Commission meeting are the compatibility of this use with the neighborhood (the aesthetics and the intensity of use) and the availability of parking. Given the difficulty extrapolating potential impact from current operations, the residential neighborhood context, and parking constraints, at this time staff recommend approval of the rezoning for hotel use for the existing two buildings, but not approval of the eight cottages as presented. The need for a hotel in Buena Vista is clear, and the City desires to see this business thrive, but has concerns about the proposed scale at this location.

Zoning Map Amendment





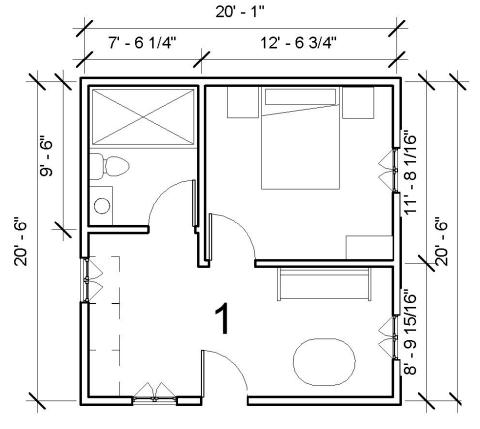
Entire Bed and Breakfast Layout



Victorian Mini Village Bed & Breakfast Cars Trash 12-62702 Existing Home Existing Home Existing Home

Parking

Small House Layout





Small Home Suggestions



Garden/Landscape Suggestions





Evergreen Trees



Pavers



Bushes



Grass



Japanese Maple Tree



Rose Bush

Outdoor details



Fire Pit











Bench

Dog Waste Station

Why it this the Perfect Location

- Proximity to Main Street
- Proximity to I-81
- Perfectly located for a pit stop
- Size of the property
- Other non-single family properties nearby
- Ample Parking
- Historic appeal
- Flat lot
- Existing Infrastructure
- Safe part of town









2056 - 2068 Chestnut Ave









